## DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



September 9, 1998

COUNTY FISCAL LETTER (CFL) NO. 98/99-20

TO: COUNTY WELFARE DIRECTORS

**COUNTY FISCAL OFFICERS** 

COUNTY AUDITOR CONTROLLERS COUNTY PROBATION OFFICERS

SUBJECT: ASSISTANCE CLAIM INSTRUCTIONS FOR IMPLEMENTATION OF THE

PAOLI VS. ANDERSON LAWSUIT

REFERENCES: ALL-COUNTY LETTER (ACLs) NOS. 97-59, DATED OCTOBER 14, 1997;

97-63, DATED NOVEMBER 7, 1997; 98-18, DATED MARCH 16, 1998, 98-55,

DATED JULY 27, 1998, AND ALL-COUNTY INFORMATION NOTICE

(ACIN) NO. I-44-98, DATED AUGUST 6, 1998

The above-referenced ACLs and ACIN provided counties with information and instructions on the requirements of the <u>Paoli</u> vs. <u>Anderson</u> court case. Effective November 1, 1996, the <u>Paoli</u> court order eliminated the lump sum rule that established a period of ineligibility for families receiving lump sum income. As a result of the <u>Paoli</u> court ruling, affected AFDC/CalWORKs cases assigned Aid Codes 30, 35, 3P, or 3R may receive a retroactive payment. The effective retroactive benefit period is from November 1, 1996.

As mandated by the court order, cases that are off aid at the time the corrective underpayment is made shall receive an additional payment of simple interest at seven (7) percent. Payment of simple interest does not apply to cases that are on aid at the time the corrective underpayment is made. The normal sharing ratios (federal/state/county) for the month in which the retroactive payments are made shall be applied to the underpayment amount for both active and inactive cases. However, since federal participation is not allowable for interest costs, the interest portion must be claimed as a state/county cost.

As indicated in ACL No. 98-55 and ACIN No. I-44-98, we are providing the following assistance claiming instructions for <u>Paoli</u> vs. <u>Anderson</u> costs. A separate CA 800 (FED) should be used for claiming purposes. Counties should identify the <u>Paoli</u> vs. <u>Anderson</u> court case at the top of the claim. When preparing <u>Paoli</u> vs. <u>Anderson</u> claims, please manually modify the existing CA 800 (FED) as shown in the enclosed sample.

Specific instructions are as follows:

- Identify the claim form as for the **Paoli** v. **Anderson** court case at the top of the form.
- Line 1A through Line 3A: **DO NOT** enter any amounts.
- Line 4A, Prior Month Supplemental Payroll: Enter the total retroactive payments, **INCLUDING INTEREST**, made for **ALL CASES** (active and inactive) as a result of Paoli v. Anderson.
- Line 5A: **DO NOT** enter any amount.
- Line 6A: Enter the subtotal amount.
- Line 7A, Amount Payable with State and County Funds Only: Enter the interest portion of the payment for **INACTIVE CASES** as a result of <u>Paoli</u> v. <u>Anderson</u>.
- Line 8B: Enter Federal share [(Lines 6A 7A) x current FFP Ratio].
- Lines 9A through 19B: **DO NOT** enter any amounts.
- Line 20A: Enter total aid payments (Line 6A).
- Line 20B: Enter Federal share (Line 8B).
- Line 20C: Enter amount payable with State and county funds only (Line 7A).
- Line 20D: Enter the total State share  $[(20A 20C) \times (20C) \times (20C) \times (20C)] + (20C \times 95\%)$ .
- Line 20E: Enter the total county share [(20A 20C) x current county %] + (20C x 5%).
- Line 20F: Enter amount countable towards TANF MOE [(20D + 20E).

If you any questions regarding these instructions, please contact your Fiscal Policy Analyst at (916) 657-3440.

Original Document Signed By George E. Peacher, Jr. on 9/8/98

GEORGE E. PEACHER, Chief Fiscal Systems and Accounting Branch

Enclosure

c: CWDA

STATE OF CALIFORNIA - HEALTH AND WELFARE AGENCY

SUMMARY REPORT OF ASSISTANCE EXPENDITURES FOR CALIFORNIA "ORK OPPORTUNITY AND RESPONSIBILITY KIDS (CalWORKs) - FEDERAL

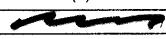
For State Use: DSS County Welfare County Auditor COUNTY DATE (MONTH/YEAR) CLAIM CONTACT PERSON TELEPHONE Family Group (FG) Unemployed (U)

(Instructions on Reverse Side of Form)

## SOURCE DOCUMENT AID PAYMENTS

(A)

(B)





**GRAND TOTALS** 

Total Aid Payments

State and County Only Funds

D. State Share [(20A - 20C) x Current State %1 + (20C x .95) -

E. County Share (20A - 20C) x Current County %] + (20C x

Countable TANF MOE (20D + 20E)

## Certification and Signatures

I hereby certify under penalty of perjury that I am the official responsible for the administration of the California Work Opportunity And Responsibility To Kids (CalWORKs) in and for aforesaid county; that I have not violated any of the provisions of Sections 1090 to 1096, inclusive, of the Government Code; that the aid payments, aid repayments and adjustments reflected herein have been made in accordance with all provisions of the Welfare and Institutions Code d the rules and regulations of the Department of Social Services.

В.

Federal Share

I hereby certify, under penalty of perjury, that I am the officer in aforesaid county responsible for the examination and settlement of accounts; that I have not violated any of the provisions of Sections 1090 to 1096, inclusive, of the Government Code; that the amounts claimed herein are in accordance with authorizations for the California Work Opportunity And Responsibility To Kids (CalWORKs) made by the county; that said amounts correctly reflect Federal, State and County Shares in the aid payments claimed and that warrants therefore have been issued, according to law and the rules and regulations of the Department of Social Services.

SIGNATURE OF COUNTY WELFARE DIRECTOR DATE SIGNATURE OF COUNTY OR AUDITOR CONTROLLER

CA 800 (FED) (4/98)

SAMPLE

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

1. Main Payroll

2. Current Month Supplemental

**CURRENT MONTH** 

Current Month Cancellation

Prior Month Supplemental Payroll

Current Month Adjustment

6. Subtotal

Amount Payable with State and County Funds Only

Federal Share [ (6A - 7A) x Current FFP Ratio ]

**PRIOR MONTH NEGATIVES** 

9. Prior Month Cancellation

Recoveries of Aid

11. Prior Month Negative Adjustments

12. Subtotal

13. Amount Payable with State and County Funds Only

14. Federal Share [ (12A - 13A) x Current FFP Ratio ]

**PRIOR MONTH POSITIVES** 

15. Prior Month Positive Adjustments

16. Amount Payable with State and County Funds Only

17. Federal Share [ (15A - 16A) x Current FFP Ratio ]

STATE ONLY FUNDS

18. Total Number of Federal Assistance Units

19. Total amount Payable by State Funds Only (18A x \$1.00)